UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 897

DESCRIPTION OF REQUEST I.

On December 9, 1993, Suncor Inc. (Suncor) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)1/ and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting blanket authorization to import up to 127.66 billion cubic feet of natural gas from Canada over a two-year term beginning on the date of first import after December 31, 1993, the date Suncor's existing authorization expires.2/ Suncor, a Canadian corporation with its principal place of business in Toronto, Canada, is involved in the exploration for and the production and marketing of crude oil, natural gas, and petroleum products. Sun is an affiliate of Sun Company Inc. of Radnor, Pennsylvania, and Ontario Energy Resources Ltd., a corporation indirectly owned by

the province of Ontario, Canada. Suncor intends to sell the imported gas to its customers in the midwestern United States, Pacific Northwest, and California. The requested authorization

does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Suncor has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486).

^{1/ 15} U.S.C. □ 717b.

^{2/} See DOE/FE Opinion and Order No. 567, 1 FE \square 70,521

(December 30, 1991).

Under section 3(c), an import of natural gas from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Suncor to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. Suncor Inc. (Suncor) is authorized to import up to 127.66 billion cubic feet of natural gas from Canada, at any point on the United States/Canada border, over a two-year term beginning on the date of the first import after December 31, 1993.
- B. Within two weeks after deliveries begin, Suncor shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.
- C. With respect to the natural gas imports authorized by this Order, Suncor shall file with the Office of Fuels Programs,

within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Suncor must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the point(s) of entry; (5) the name of the United States transporter(s); (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering

Paragraph C of this Order is due not later than April 30, 1994,

and should cover the period from January 1, 1994, until the end

of the first calendar quarter, March 31, 1994.

Issued in Washington, D.C., on December 21, 1993.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy